McKinsey & Company

Diverse employees are struggling the most during COVID-19—here's how companies can respond

New global research shows that despite companies' recent efforts, diverse employees need more. Businesses should ask themselves new questions for a changed workplace.

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November 2020

Almost a year into the COVID-19 crisis, employees are still crying out for more support. Diverse groups—including women, LGBTQ+ employees, people of color, but also working parents—are having the hardest time, both in the workplace and with balancing work and home life.

To understand the challenges diverse employees are grappling with in the COVID-19 environment, we recently conducted surveys and interviews and examined data across 11 developed and developing countries (see sidebar, "Our survey methodology").[1] We discovered that workers across demographic groups and geographies reported a remarkably similar set of challenges related to mental health, work–life balance, workplace health and safety, a missing sense of connectivity and belonging with colleagues, and concerns about job opportunities.

However, there were also differences. The severity and prevalence of these challenges, such as with mental health, were far higher in developing countries than in developed nations. Among diverse groups, these concerns were both higher in number and felt with greater urgency. Women in particular are worried about the health and safety of on-site workplaces and mental-health issues. They are also more concerned than men about increased household responsibilities—suggesting that the stress of the "double shift" continues to be a gendered issue around the world. Women in emerging economies such as India and Brazil are two to three times more likely to report challenges as their peers in developed countries, suggesting that gender and local context may have a compounding effect.

Employees who identify as lesbian, gay, bisexual, transgender, queer, or gender nonbinary (LGBTQ+) disproportionately fear losing ground at work and report feeling isolated. They report more acute work-related challenges than their straight and cisgender peers, including workload increases and stress over performance reviews, as well as a heightened loss of connectivity and belonging. This may contribute to the fact that LGBTQ+ employees are more likely to report challenges with mental-health issues.

In majority-white countries, people of color (POC) are especially worried about workplace health and safety, as well as career progression and balancing responsibilities at home. The disparity compared with their white counterparts is particularly stark for POC in the United States.

What do these results mean for companies? We find that employers are well aware of the challenges facing employees, and that nearly all companies have implemented COVID-19-specific policies and programming to support workforces during this unprecedented time. Many of these policies help address the specific challenges highlighted by diverse employees. When we asked executives to what degree their CEO prioritized diversity, equity, and inclusion (DEI) during the pandemic, nine out of ten responded that even with the pressures of the crisis, DEI remains a moderate, very important, or top priority. Furthermore, two out of five companies globally are expanding their investments in DEI programs even as they make budget cuts elsewhere.

Still, nine out of ten executives we surveyed report challenges in executing their DEI strategies. Although companies have responded rapidly, employees—and in particular diverse employees and working parents—are still struggling with the multitude of challenges posed by the pandemic. The result: only one in six diverse employees feels more supported now.

Difficulties related to COVID-19 are unlikely to be resolved soon. For many of the 11 countries in our survey, coronavirus case counts are continuing to rise, and companies are planning responses well into 2021. Our survey shows that employees also expect the challenges we highlighted above to continue for months.

[1] Countries covered by this research are Australia, Brazil, Canada, China, France, Germany, India, Ireland, Mexico, the United Kingdom, and the United States.

Despite this sobering data, leaders now have an opportunity to build a more equitable and inclusive workplace that will strengthen their organizations far beyond COVID-19. Businesses that seize the moment will not only be better placed to support their employees but also will drive sustainable business performance.

McKinsey research shows that companies in the top quartile for diverse leadership teams outperformed less diverse peers on profitability. Stalled progress on diversity will make a long and challenging road even tougher. It may also result in negative perception among customers, current employees, and potential talent who increasingly view diversity as a priority. And this may only increase going forward—our 2019 *Women in the Workplace* research finds that younger generations in particular are twice as likely to raise the need for DEI than older employees. Finally, the qualities that characterize diverse and inclusive companies—notably innovation and resilience—will be crucial as companies recover and transition to the next normal.

In this article, we will dig deeper into our global survey data to highlight key trends and concerns and pose questions companies should be asking themselves about how to better serve diverse employee populations through this crisis and beyond it.

The COVID-19 crisis and diverse employees

The pandemic has amplified earlier inequities
Even before the pandemic began, progress on advancing diversity, equity, and inclusion in the workplace and the economy as a whole had been slow. Historical challenges for diverse groups have only been exacerbated by the COVID-19 crisis.

We focus here on impacts in the workforce (though some diverse populations may also be experiencing the health impacts of COVID-19 more acutely). Women are highly concentrated in sectors that are expected to suffer high rates of unemployment in 2020, including hospitality, food services, and retail. As of September 2020, only 53 percent of the US adult Black population was employed, compared with 57 percent of the corresponding white population,[2] and 39 percent of jobs held by Black workers are vulnerable as a result of the COVID-19 crisis, compared with 34 percent for white workers. Vulnerable jobs are subject to furloughs, layoffs, or being rendered unproductive (for example, workers kept on payroll but not working) during periods of high physical distancing. Similarly, 65 percent of US Hispanics and Latinos work in the five sectors that are suffering the largest drops in GDP during the pandemic, including leisure and hospitality and retail trade.

Of those still working, mothers may be disproportionately affected. For example, US mothers with young children have reduced their work hours at a rate that is four to five times higher than fathers to take on childcare, homeschooling, and household responsibilities.[3] US mothers are also 1.5 times more likely than fathers to spend an extra three or more hours a day on housework and childcare—equivalent to 20 hours a week, or half a full-time job. In India, women report a 30 percent increase in household responsibilities.[4]

Our recent *Women in the Workplace* 2020 report confirmed that in the United States and Canada, the burden of this double shift has led one in four women in corporate jobs to consider downshifting her career or leaving the workforce.

Everyone is struggling, but some more than others
The crisis is hitting emerging economies the hardest. All employees are struggling during the COVID-19 crisis and report an array of challenges in their lives, particularly in the areas of mental and physical health, concerns around workload

[2] "The employment situation – September 2020," US Department of Labor, Bureau of Labor Statistics, September 2020, bls.gov.
[3] Caitlyn Collins, et al., "COVID-19 and the gender gap in work hours," *Gender, Work & Organization*, July 2020, onlinelibrary.wiley.com.
[4] Roopa Purushothaman, et al., "Opening with care," *Hindustan Time*s, June 19, 2020, hindustantimes.com.

Our survey methodology

To understand and quantify the variations in employee experiences during the pandemic—and how companies are and should be responding to those needs—McKinsey recently conducted global surveys with 1,122 executives and 2,656 employees across 11 countries.

The executive survey was in the field from August 19 to September 1, 2020. The executive respondents worked for companies with $500 million+ (or equivalent) in annual revenue and 250+ employees. The survey sample spans the following countries: Australia, Brazil, Canada, China, France, Germany, India, Ireland, Mexico, the United Kingdom, and the United States). Of the 1,122 executives surveyed, 15 percent were US-based.

The employee survey was in the field from August 19 to September 1, 2020. The survey sample spans employees from companies with the same revenues and employee size as listed above. The survey also spanned the same countries previously listed. Of the employee respondents, 22 percent of the sample were US-based and 7 percent were part-time employees.

We examined impacts of COVID-19 on various employee segments: women, LGBTQ+, people of color (in countries with large white populations for which data was available for this group, namely Brazil, Canada, France, the United Kingdom, and the United States), and parents. We sometimes refer to the first three groups collectively as "diverse employees."

To the extent possible, responses in each country were capped by gender, ethnicity, and sexual orientation to mirror the respective populations in each geography based on latest available information (for example, country census). To ensure statistically significant differences in responses cited by various respondent subgroups (for example, working mothers, LGBTQ+ people) we applied a two-tailed chi-squared test.

To aggregate results globally or by region from our employee survey, we weighted responses for each employee category in a country (for example, women or working parents) by the overall share of respondents from that country in our data set. This allowed us to appropriately compare across different cohorts in a manner that controlled for country-specific dynamics.

While we do occasionally compare responses from our employee survey with that of our employer survey, it is important to note that the two surveys were independently conducted and therefore may not encompass the same set of companies.

increases, fears of stalled growth and a lack of progress opportunities, and loss of connectivity and belonging with colleagues (Exhibit 1).

While difficulties are common to every country, employees in emerging economies are clearly struggling more. Among all workers, those in emerging economies cited markedly more challenges, and reported feeling them more acutely than those in developed economies. In fact, acute challenges (those that are felt "significantly" by respondents) are two to three times more common for employees in emerging economies than for employees in developed economies (Exhibit 2). For example, in India, Brazil, and China, 75 to 90 percent of respondents cite workplace health and safety and mental health as challenges in the COVID-19 context, compared with 50 to 60 percent of those in the United States, the United Kingdom, and France.

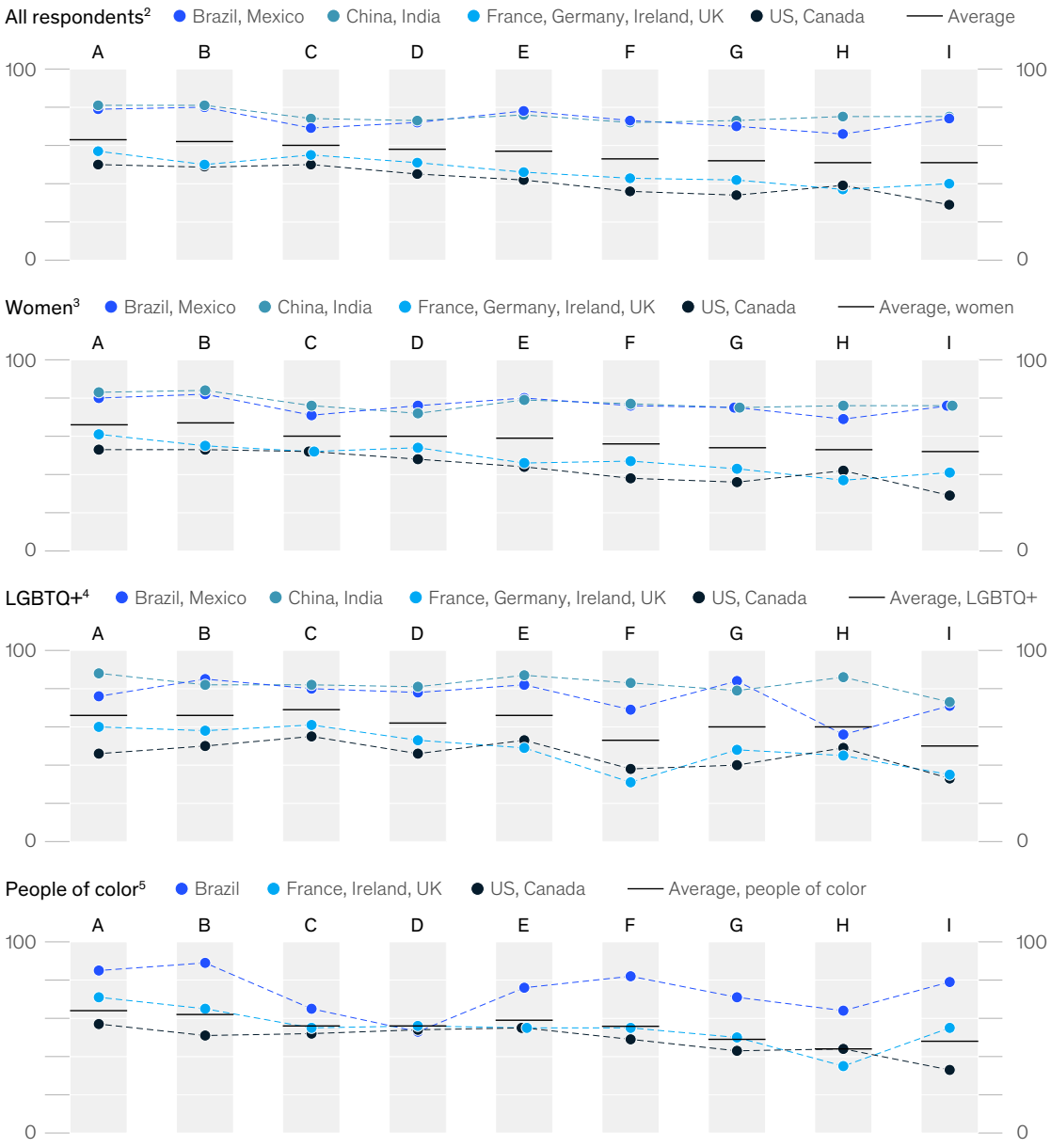
Moreover, in every country, members of diverse populations reported additional challenges and felt them more acutely than their nondiverse counterparts. For example, nondiverse employees in the United States have experienced, on average, one acute challenge during the COVID-19 crisis, in addition to several other moderate challenges (those that are reported as being felt "somewhat" by respondents). Their diverse US colleagues reported 1.6 acute challenges. For a diverse employee in China, this number rises to 3.4 acute challenges on average, and for a diverse employee in India, it's 6.7.

Exhibit 1

Globally, employees in emerging economies are more likely to report challenges during the COVID-19 pandemic.

Challenges during COVID-19,[1] % of respondents who answered 'significant' or 'somewhat'

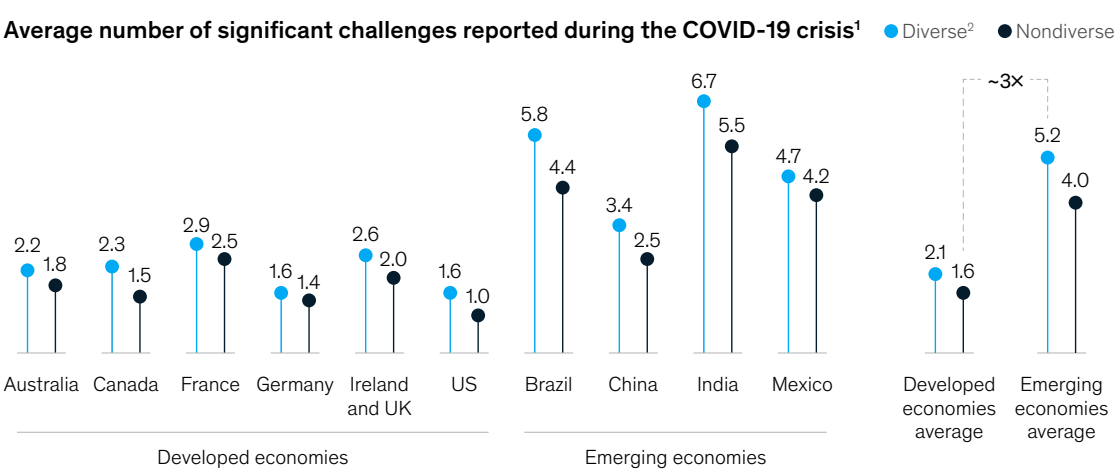
A Healthy and safe on-site workplace **B** Mental health **C** Connectivity and belonging **D** Workload increases **E** Growth and progress opportunities **F** Household responsibilities **G** Fair performance evaluation **H** Job insecurity **I** Physical health



Note: Countries included in the survey are Australia, Brazil, Canada, China, France, Germany, India, Ireland, Mexico, United Kingdom, and United States.
[1]Question: Please indicate which of the following has been challenging for you as an employee during the COVID-19 crisis.
[2]All respondents, n = 2,656; Brazil and Mexico, n = 406; China and India, n = 641; France, Germany, Ireland, and UK, n = 667; US and Canada, n = 737.
[3]All women respondents, n = 1,356; Brazil and Mexico, n = 201; China and India, n = 337; France, Germany, Ireland, and UK, n = 321; US and Canada, n = 400.
[4]All LGBTQ+ employees, n = 334; Brazil and Mexico, n = 52; China and India, n = 147; France, Germany, Ireland, and UK, n = 62; US and Canada, n = 62.
[5]All people-of-color respondents, n = 429; Brazil, n = 66; France, Ireland, and UK, n = 66; US and Canada, n = 250.
Source: McKinsey 2020 Global Diversity, Equity, and Inclusion/COVID-19 Employee Experience Survey

Exhibit 2

Diverse employees cite more acute challenges than their nondiverse peers, particularly in emerging economies.



[1]Question: Please indicate which of the following has been challenging for you as an employee during the COVID-19 crisis (Australia, n = 205; Brazil, n = 202; Canada, n = 160; China, n = 323; France, n = 215; Germany, n = 207; India, n = 318; Ireland and UK, n = 245; Mexico, n = 204; US, n = 577). Acute challenges are those where respondents described the challenge as being "significant" (other options included "somewhat," "not a challenge," and "not applicable"). Challenges encompass those in the workplace (eg, workload increases) and in balancing home- and work-life (eg, increased household responsibilities).
[2]Employees who identify as women, LGBTQ+, or a person of color (POC). POC data limited to respondents from Australia, Brazil, Canada, France, United Kingdom, and United States.
Source: McKinsey 2020 Global Diversity, Equity, and Inclusion/COVID-19 Employee Experience Survey

While geography plays an important role in employee experience during the pandemic, our survey data also show that women, LGBTQ+ employees, POC, and parents are having the hardest time (Exhibit 3).

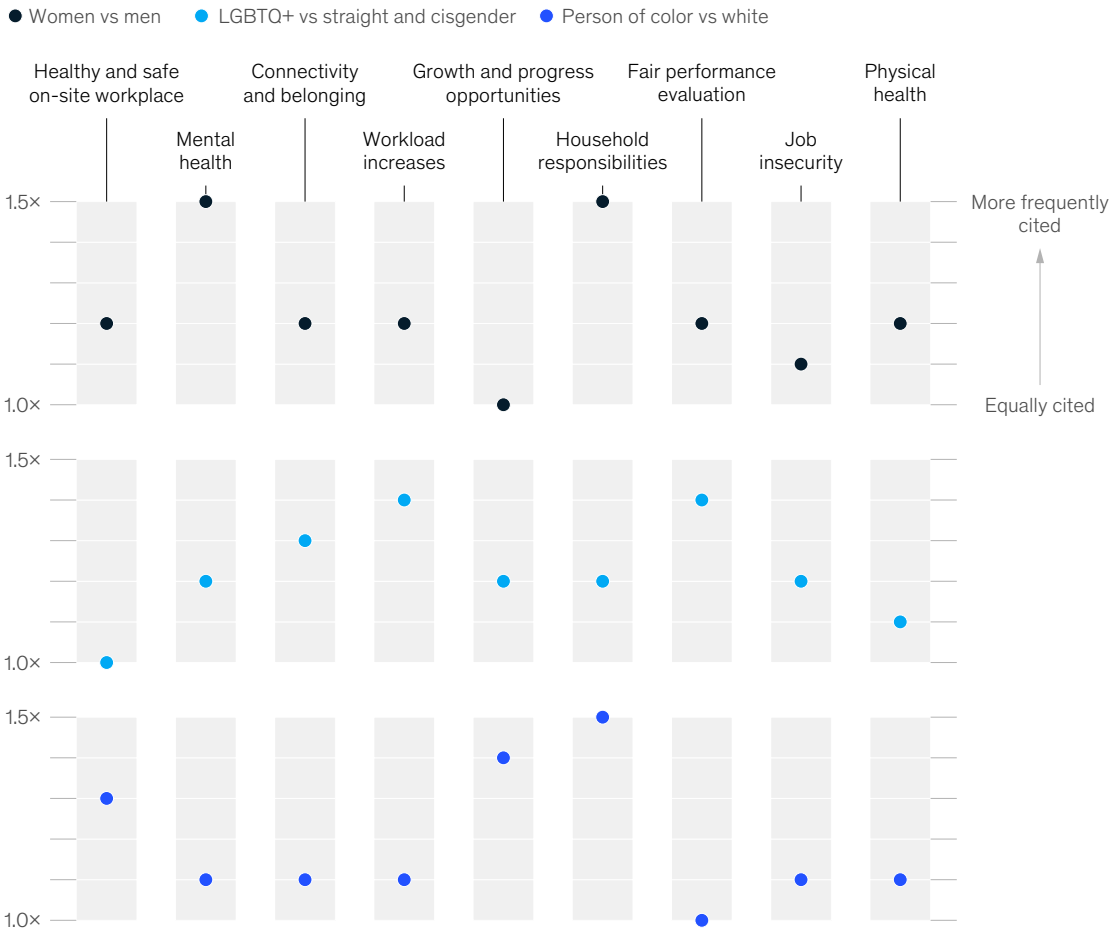
Women face disproportionate stress. Across geographies, women are struggling more than men across personal as well as professional fronts. Women are 1.5 times as likely as men to cite challenges pointing to a "double shift": acute challenges with mental health and increased household responsibilities. Women are 1.2 times as likely to cite acute difficulties with workload increases, connectivity and belonging in the workplace, having a healthy and safe worksite, performance reviews, and physical health. One of the most profound differences appeared around mental-health issues in the United Kingdom and the United States, where women are 2.9 times and 2.6 times as likely to report acute challenges, respectively, compared with their male counterparts.

In emerging economies, women have it far worse. More than 60 percent of women in emerging economies are suffering from acute or moderate challenges—sometimes double the rate of their peers in developed economies. Women in China, India, and Brazil are two to three times as likely to say they are facing acute challenges from mental-health issues as their peers in the United States and European countries.

Exhibit 3

Women, LGBTQ+ employees, and people of color are more likely to report acute challenges during the pandemic.

Likelihood of diverse[1] respondents citing a 'significant' challenge during the COVID-19 crisis vs nondiverse respondents,[2] multiple



[1]Employees who identify as women, LGBTQ+, or a person of color (POC). POC data limited to respondents from Australia, Brazil, Canada, France, United Kingdom, and United States.
[2]Please indicate which of the following has been challenging for you as an employee during the COVID-19 crisis (women, n = 1,356; men, n = 1,296; LGBTQ+, n = 334; straight, n = 2,249; person of color, n = 429; white, n = 1,175).
Source: McKinsey 2020 Global Diversity, Equity, and Inclusion/COVID-19 Employee Experience Survey

For LGBTQ+ employees, fears of isolation and losing ground at work loom large. The allyship found in social and work settings is an important source of belonging among many in the LBGTQ+ community. While many straight and cisgender people also feel isolated during the COVID-19 crisis, the negative impact is felt more acutely by LGBTQ+ people who may find themselves even more isolated in the absence of interactions with LGBTQ+ colleagues, their employee resource group, or other support structures.

The data showed quite clearly that LGBTQ+ employees across geographies are struggling with work in a pandemic world. Compared with straight and cisgender employees, LGBTQ+ respondents

are 1.4 times as likely to cite acute challenges with fair performance reviews and workload increases and are struggling similarly with a loss of workplace connectivity and belonging. It's perhaps not surprising then that two out of three LGBTQ+ employees report either acute or moderate challenges with mental health.

Geographically, the differences between LGBTQ+ and straight and cisgender employees are most marked in Asia, where nearly twice as many LGBTQ+ as straight and cisgender respondents cited acute challenges with fair performance reviews and workload increases.

People of color single out work safety and career prospects. For people of color across the survey, acute challenges are more commonly felt across workplace health and safety, career progression, and household responsibilities. Concerns over workplace health and safety are perhaps unsurprising given the disproportionate health impacts experienced by people of color.

These differences in experiences between POC and white people is particularly stark in the United States. While a smaller share of POC report challenges in the United States than in Brazil, for instance, the gap relative to their white counterparts is much greater. POC in the United States are more likely to cite acute challenges than white Americans. Particular pain points include concerns related to career progression (2.2 times as likely) and household responsibilities (2.1 times).

Parents fear stalling careers while challenges mount at home. In the pandemic context, challenges extend to a group that's not typically considered part of the traditional DEI agenda: employees with children. This is particularly true in countries where schools remain closed. Their challenges extend beyond childcare and home schooling, with parents in countries with full school closures reporting higher challenges, for example with mental-health issues and increased workloads. Parents are also more likely than nonparents to cite acute concerns across many dimensions (Exhibit 4).

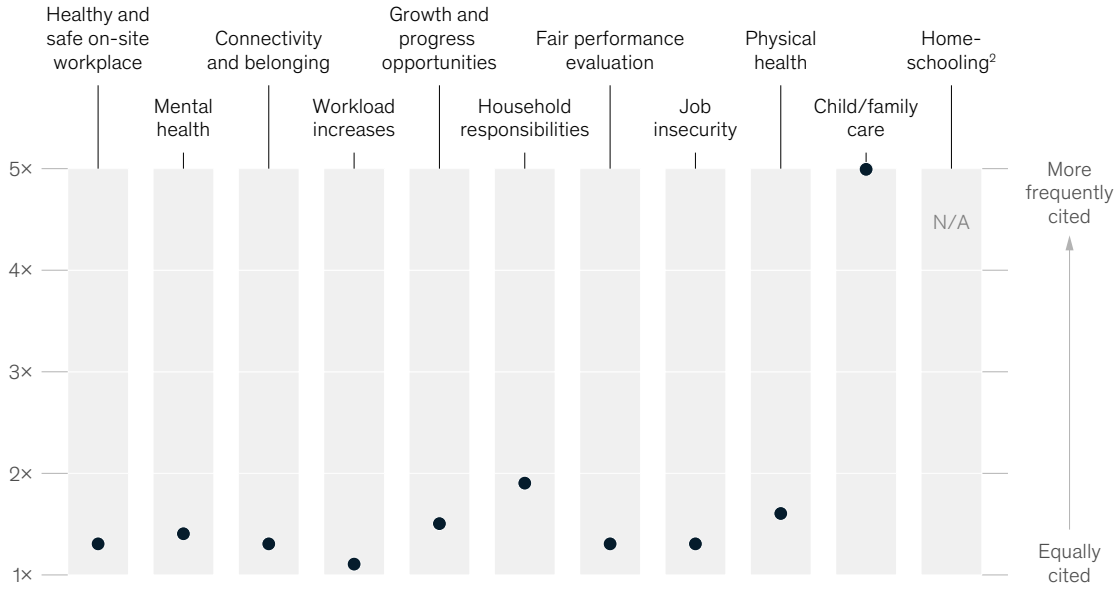
Our survey data also show that more mothers struggle with household responsibilities and mental-health concerns compared with fathers (at 73 percent versus 65 percent, and 75 percent versus 69 percent, respectively, citing these challenges as either acute or moderate).

Our survey shows that employees do not feel these challenges are temporary. That means companies should prepare for several factors to have an outsize impact on diverse populations.

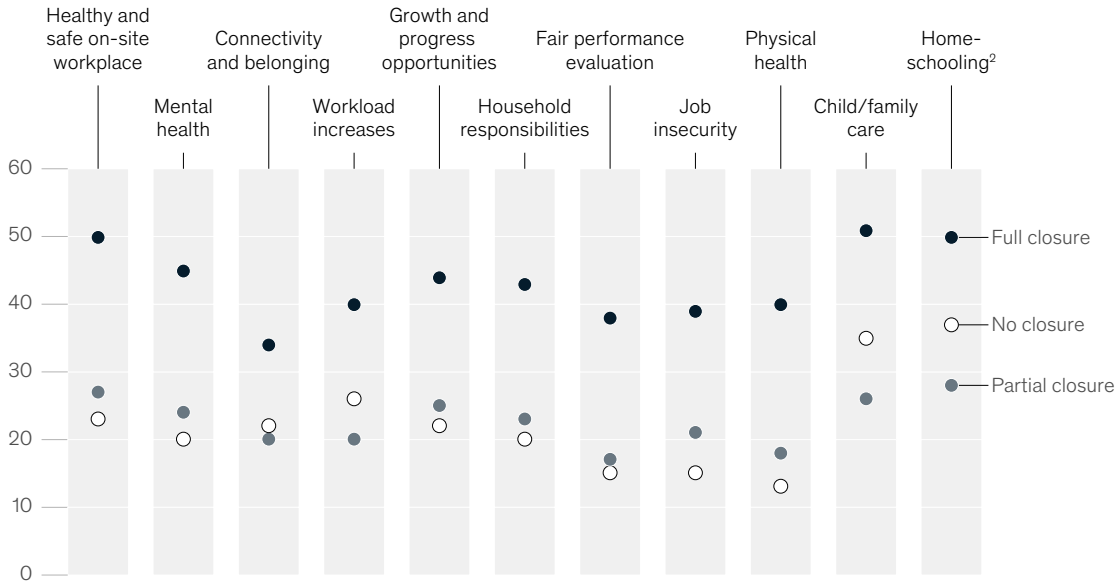
Exhibit 4

Working parents are more likely to cite challenges than nonparents, and school closures in particular place an extra burden on working parents.

Likelihood of parents citing a 'significant' challenge during the COVID-19 crisis vs nonparents,[1] multiple



Share of parent respondents citing a 'significant' challenge during the COVID-19 crisis, by school closure,[1] %



[1]Please indicate which of the following has been challenging for you as an employee during the COVID-19 crisis (parents, n = 1,397; nonparents, n = 1,259; full school closure, n = 655; partial school closure, n = 567; no school closure, n = 175). Acute challenges are those where respondents described the challenge as being "significant" (other options included "somewhat," "not a challenge," and "not applicable").
[2]This category is primarily relevant for parents, and hence has been marked as "N/A."
Source: McKinsey 2020 Global Diversity, Equity, and Inclusion/COVID-19 Employee Experience Survey; UNESCO global monitoring of school closures caused by COVID-19

Employees expect these challenges to linger. Our survey shows that employees do not feel these challenges are temporary: in particular, a larger share of employees expects workload increases to be a continuing challenge; it jumps from being in the top ten most reported challenges today to being in the top three most expected challenges in the next six months. Long term, companies should prepare for several factors to have an outsize impact on diverse populations—ongoing mental-health challenges, school closures, and lack of access to offices and in-person interaction.

Companies are striving to meet rising employee needs and expectations

Safety and flexibility are the priorities for companies

Companies aren't in the dark about these struggles and, in fact, we find that they are trying to innovate to cope. Our survey of employers shows that businesses recognize the same top challenges as reported by employees: worries about physical safety in the workplace, mental-health issues, and maintaining office connections with colleagues. Companies also understand that most employees have more responsibility than ever before, both through increased workloads and additional home responsibilities.

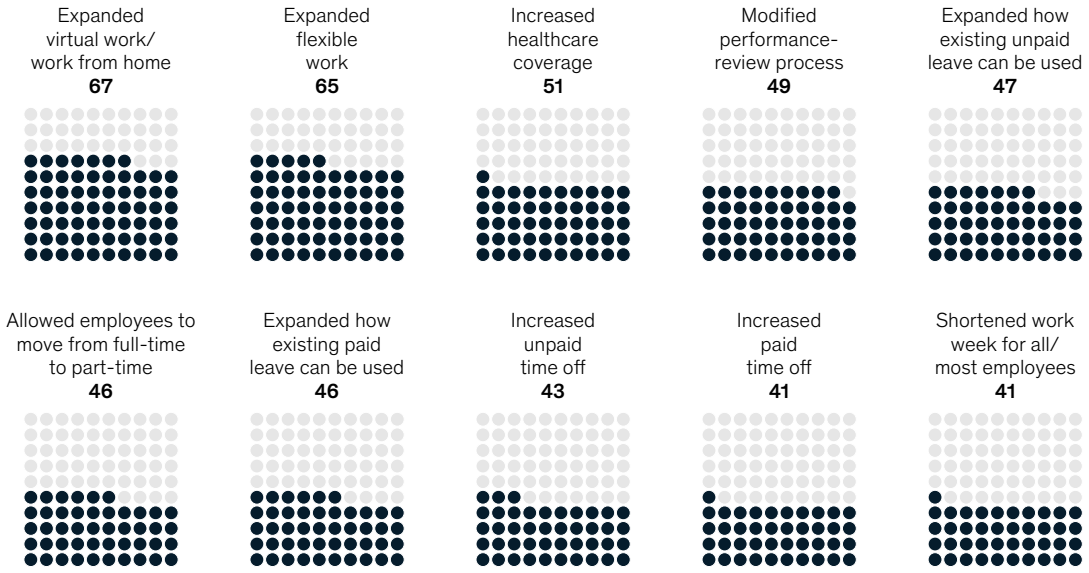
In response, 96 percent of businesses globally have launched innovations in their HR policies and added new resources to support their employees, and they have adopted these changes quickly. Executives report that they have implemented a variety of changes, including expanded remote and flexible work, increased paid and/or unpaid time off, additional flexibility to move from a full-time to a part-time schedule, expanded policies for how existing paid and unpaid leave can be used, and shortened workweeks (Exhibit 5).

The good news is that companies are largely investing in the same areas that employees cite as their most wished-for benefits, particularly remote and flexible work.

Exhibit 5

Companies have adjusted and expanded policies to support employees.

Policy changes implemented to support employees during the COVID-19 crisis,[1] % of respondents



[1]Question: Since the start of the COVID-19 crisis, which of the following policy changes has your company implemented to support your workforce? (n = 1,122 executives globally).
Source: McKinsey 2020 Global Diversity, Equity, and Inclusion/COVID-19 Executive Survey

Efforts to build diverse and inclusive workplaces continue

The momentum goes beyond programs created in response to the pandemic and into continued prioritization and expanded budgets for DEI more broadly. When we asked executives to what degree their CEO prioritized DEI both before and during COVID-19, nine out of ten responded that even with the pressures of the COVID-19 crisis, DEI remains a moderate, very important, or top priority. Indeed, 29 percent said it was a top priority, and 40 percent said it was a very important priority. And when forced to rank against other business priorities during the pandemic, such as cost cutting or protecting growth, about one in three executives continued to say that DEI was a top five business priority.

Keeping DEI high on the CEO's agenda is critical because it means companies are significantly more likely to drive impact through action. Of businesses whose CEOs reportedly prioritize DEI, 97 percent have at least some DEI measures in place and only 3 percent lacked any DEI initiatives. However, of companies that don't consider DEI a priority, 22 percent didn't have DEI initiatives.

Globally, two out of five companies in our survey have increased their budgets for gender, race/ethnicity, and/or LGBTQ+ initiatives over the past six months. Executives in emerging economies such as China and Brazil were more likely to report investment increases, although it is possible these may have been from lower baselines. The US companies we surveyed fall in the middle of the pack for having increased race/ethnicity investments, despite the recent racial-justice movements that have swept the nation.

Looking ahead, employers should understand that employee expectations surrounding DEI initiatives are strong, particularly in emerging economies. Globally, workers expect employers to drive change in society: nine out of ten employees across all regions believe that companies should engage in external DEI initiatives, such as promoting supply-chain and distribution-channel diversity, pro bono efforts, and cradle-to-career initiatives.

In our survey, almost 100 percent of employees in emerging economies agreed that employers should engage in external DEI measures. This compares with 83 percent of employees in the United Kingdom, 80 percent of employees in France, 77 percent of employees in the United States, and 65 percent of employees in Germany. Our executive survey results suggest there is an opportunity for businesses to do more here; for example, only 41 percent of companies have made pro bono commitments, 47 percent support cradle-to-career initiatives that support diverse groups in the community, and about 50 percent set goals for supply-chain diversity.

But execution of DEI strategies is weak and gaps remain

Employees need more targeted support from their employers

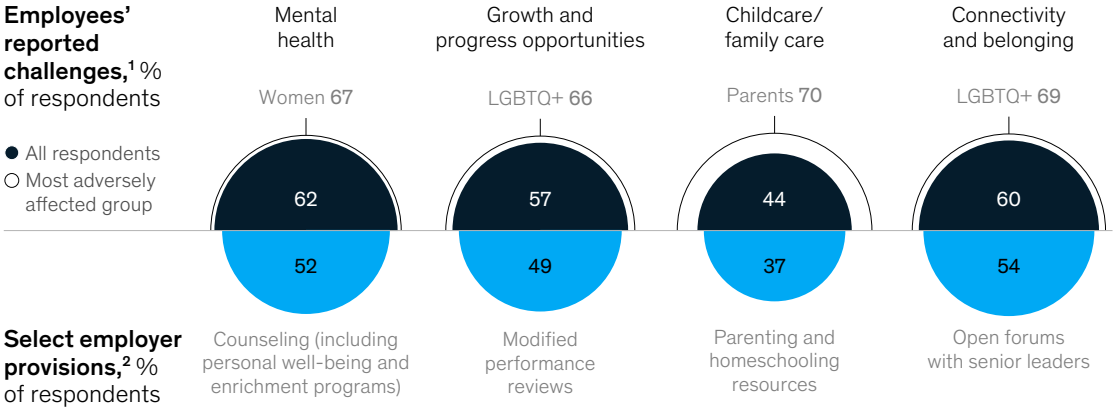
Although quick and effective company responses to the sudden shift to remote work may have alleviated some negative effects, employees—particularly diverse employees and working parents—are still struggling to cope with the wide range of pandemic challenges that go beyond remote working. And significant gaps remain. The share of companies responding to mental-health challenges, for example, remains below the share of workers reporting this as a continued challenge, with diverse populations feeling the gap most acutely.

For example, 44 percent of companies have implemented personal well-being and enrichment programs, and 52 percent offer mental-health/bereavement counseling. However, our employee survey showed that 62 percent of respondents consider mental-health issues a challenge, with higher reporting among diverse groups (Exhibit 6).

There is no magic-bullet solution. Given the complex nature of what drives mental-health challenges (for example, burnout, anxiety outside the workplace, uncertainty about the future), companies may need to invest in many areas at once, including interventions related to increased workloads and employees' sense of belonging.

Exhibit 6

Despite companies' efforts, employees' challenges are not being fully addressed.



[1]Question: Please indicate which of the following has been challenging for you as an employee during the COVID-19 crisis; answers considered: "significant," "somewhat."
[2]Questions: Which of the following resources and supports are currently offered by your company to your employees?; Since the start of the COVID-19 crisis, which of the following policy changes has your company implemented?
Source: McKinsey 2020 Global Diversity, Equity, and Inclusion/COVID-19 Executive Survey (n = 1,122 executives globally) and McKinsey 2020 Global Diversity, Equity, and Inclusion/COVID-19 Employee Experience Survey (n = 2,656 employees globally)

The challenge for businesses will be even greater as they attempt to meet the different needs to different employee groups. For example, women are more appreciative of mental-health/bereavement counseling and personal well-being resources offered by their companies compared with men—perhaps because they are also more likely to report mental-health issues. Thirty-five percent of women rank counseling among the top three most important resources that their employers could provide during the COVID-19 crisis, slightly higher than 29 percent of men.

At the same time, for LBGTQ+ employees, health checks and healthcare services are the most appreciated employer-provided resource (versus the third-most appreciated for straight and cisgender employees). LGBTQ+ employees are also more likely to value increased time off (both paid and unpaid) than their straight peers. Perhaps because of their concerns about career progression, they also value job training/reskilling more (32 percent, compared with 25 percent of straight and cisgender employees).

Companies are having a hard time executing their DEI strategies

Progress on diversity has been slow, and nine out of ten companies report that they struggle to implement their DEI initiatives. While there is no specific challenge that derails most businesses, common hindrances include a lack of employee awareness of programs (26 percent), financial incentives not aligned with DEI goals (25 percent), insufficient leadership role modeling (25 percent), rewards and recognition not being aligned with DEI (23 percent), and being stretched too thin (23 percent).

This disconnect has consequences. Only one in six diverse employees feels more supported during COVID-19 than they did before the crisis (the number

is similar for employees overall as well). There are also compounding effects by geography: for example, only 5 percent of women respondents in China and 9 percent of those in India reported feeling more supported by their employers during COVID-19 (compared with 22 to 29 percent of women in Brazil, France, Germany, Ireland, and the United Kingdom).

Next steps: New questions for a changed workplace

The COVID-19 crisis has profoundly altered the workplace. Employers know they must address workplace health and safety for all employees in addition to supporting mental-health needs and fostering connectivity and belonging in remote environments, all against the backdrop of diverse employee populations dealing with unique experiences and inequities. How can companies find ways to address new challenges that disproportionately impact underrepresented and diverse groups?

As employers look to respond to what employees told us in this survey, they will need to rethink the traditional approach to diversity and inclusion. Here are five principles of a successful diversity plan, coupled with questions companies should ask themselves as they build it:

Sharpen the DEI priority. Putting DEI on the agenda and ensuring there is an empowered leader running the effort is a start, but businesses must dedicate resources—for example, budget and staff—accordingly. Setting and tracking clear aspirations (which only 50 percent of surveyed companies do) will also help to quantify progress even when there are competing attentions. They must find ways to address some of the challenges identified in our survey, including misalignment of financial incentives and a lack of accountability of senior leaders.

Ask yourself: How will you keep diversity, equity, and inclusion at the top of your agenda and make sure the execution plan has teeth?

Resist business as usual. Through our interviews with employers, we identified 33 core interventions to drive impact, ten of which are particularly relevant in the COVID-19 context (Exhibit 7). Companies need to be selective across this catalog, focusing on a few specific interventions that are relevant for this moment for their context, and then actually move the needle in their organization with disciplined execution.

Ask yourself: How will you change your DEI agenda in response to the COVID-19 crisis?

Companies must find ways to address the challenges identified in our survey, including misalignment of financial incentives and insufficient leadership role modeling.

Exhibit 7

Be selective: Choose only a few interventions that will move the needle in your organization and be disciplined in the execution.

Interventions to drive impact, nonexhaustive

● Particularly relevant during the COVID-19 crisis

Internal levers

Hiring

- Talent-pool expansion (eg, using analytics, hiring from HBCUs[1])
- Job descriptions that excite a broader range of candidates
- Résumé screening without demographic identifiers
- Diverse recruiting slates

Promotions

- Mentorship and sponsorship for underrepresented groups
- ● Fair and objective performance reviews (including productivity tracking)
- Diverse slates for promotions/new positions created
- Succession planning with diversity analytics and/or commitments
- Conscious inclusion training
- Leadership training for underrepresented groups (including grants, tailored courses)

Retention and inclusion

- Strengthened partnerships with ERGs[2]
- Allyship programs that are promoted and supported
- ● Frequent employee pulse surveys
- ● Virtual/flexible work options, including extended family leave
- ● Manager trainings for inclusive virtual/hybrid leadership
- ● New COVID-19 policies (eg, sick leave, work-from-home stipend)
- ● Reskilling efforts to retain underrepresented talent
- ● Developing and offering work reentry programs
- ● Regular leadership communication and engagement (eg, townhalls)

External levers

Products, services, and operations

- Supply-chain and distribution-chain diversity
- Product and services development driven by inclusion in design
- Customer/network engagement with company's DEI[3] initiatives
- Communications (eg, marketing and PR) leveraged for public messaging

Broader community

- Resource allocation through pro bono commitments and/or philanthropic support
- Cradle-to-career initiatives (eg, skill training, scholarships)
- ● Leading public research
- Proactively help employees who have been let go/furloughed

Foundational practices

- Visible support and commitments from senior management
- Measurable aspirations and goals by diversity type and level
- ● Thorough quantitative and qualitative DEI[3] diagnostics (eg, updated regularly to reflect workforce changes)
- Ongoing monitoring of aspirations and linking them to incentives
- Governance structures in place to drive DEI[3] program
- Publicly available commitments and data on initiatives, progress, and goals

[1]Historically Black colleges and universities.
[2]Employee resource groups.
[3]Diversity, equity, and inclusion.

Tackle new challenges. The imperative for mental health is clear across all employee groups, but particularly for women and LGBTQ+ employees. Companies need to think through the implications for their workforce and the role they can best play to support their employees. This could take many forms, ranging from provision of healthcare services and counseling support to manager training. Steps employers take to tackle other challenges, for example, those related to workload increases or office connectivity, can also play a role.

Ask yourself: What role should your company play in supporting employees on mental health?

Rethink flexibility and boundaries. LGBTQ+ employees, and POC in particular, cited concerns with workload increases, and more workers expect this to be a challenge in the next six months. Addressing this may require companies to rethink expectations on worker productivity and performance, expand benefits like paid time off, and support employees in establishing boundaries between work and home life.

Ask yourself: How should your company balance increasing pressures with the need to make work more sustainable for employees?

Leadership extends beyond your company walls. Our survey found that employees across countries expect businesses to have an external voice on DEI—ranging from committing to community and philanthropic endeavors to engaging with suppliers. This suggests companies will benefit from additional strategic attention on how to pull these external levers. Companies should examine their own aspirations, including how best to align their internal goals with a broader role in advancing DEI.

Ask yourself: Where does your company have an opportunity or obligation to extend its DEI objectives into the external ecosystem?

It is clear that diverse employees are bearing a disproportionate burden during the COVID-19 crisis. Now is the time for companies and leaders to seize the moment by providing needed support.

In a turbulent year like no other, there has never been as universal a need to reimagine working norms for all employees. Leaders must commit to building a more equitable and inclusive workplace to ensure a positive recovery for all.

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The authors wish to thank Gabriela Bermudez, Georgia Lourandos, Ranti Odujinrin, Ishan Sharma, Margaret Swink, Chi Ta, and Ariel Wu for their contributions to this article.

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The COVID-19 crisis is hitting diverse employees hard.

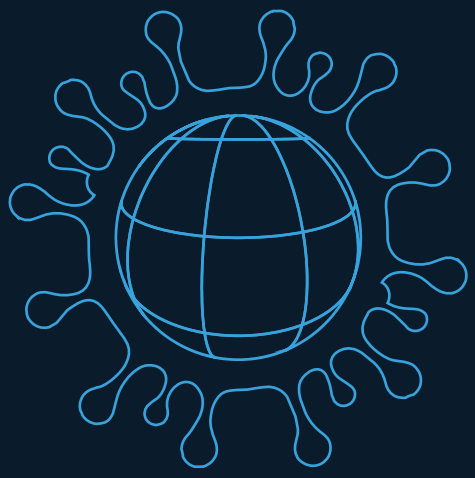
All employees are struggling

62%

of respondents are concerned with their own **mental health**

60%

of respondents are concerned with a lack of **belonging and connection**



Emerging economies face the biggest challenges

75–90%

of respondents in Brazil, China, and India are concerned with **workplace health and safety** and **mental health**, compared with **50–60%** of those in France, the UK, and the US

Female employees are

1.5×

as likely as male employees to be concerned about challenges with **mental health** and balancing **household responsibilities**

LGBTQ+ employees are

~1.4×

as likely as straight and cisgender employees to be concerned about fairness of **performance reviews**, **workload increases**, and a lack of **connectivity and belonging**

Employees of color are

~1.5×

as likely as white employees to be concerned about **career progression** and balancing **household responsibilities**

Parents are

up to 5×

as likely as employees without children to be concerned about **career progression** and **challenges in the home**

Companies are trying to match employee needs, but gaps remain

40%

of companies are raising **investment** in diversity, equity, and inclusion initiatives

96%

of companies are **innovating HR policies and supports** in real time, focusing on expanded flexible and remote work

90%

of employees expect employers to **engage externally** in diversity, equity, and inclusion initiatives, with those in emerging economies expecting it most

86%

of companies report **challenges** in executing diversity, equity, and inclusion strategies

1 in 6

employees across all geographies feel **more supported** by their companies now than before COVID-19 crisis

Employers have a clear agenda for action.

1. Sharpen diversity, equity, and inclusion priorities: set aspirations and address execution challenges
2. Resist business as usual: consider COVID-19 pandemic's implications on diversity, equity, and inclusion agenda
3. Tackle new challenges, such as mental-health support, head on
4. Rethink workplace flexibility and boundaries
5. Expand diversity agenda beyond company walls

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